

means for generating a combination code, wherein a portion of the combination code is a random code and the other portion is a non-random code;

means for encrypting the combination code, wherein each desired channel of distribution has a unique encryption key to perform the encryption of the combination code;

means for applying the encrypted combination code to the goods; and

means for verifying whether an encryption key used for encrypting the combination codes on the inspected goods within the desired channel or channels of distribution matches the encryption key which is uniquely dedicated for the desired channel or channels of distribution, thereby identifying whether a diversion of goods has occurred.

26. The system of claim 25, wherein the verifying means further comprises:

means for decrypting the encrypted combination code applied to the goods; and

means for comparing the non-random code of the decrypted combination code with a known non-random code.

27. A method of determining whether a tax has been paid properly, comprising:

creating a plurality of valid encrypted combination codes;

supplying those encrypted combination codes to an entity for application to the goods;

decrypting the combination code using a public key; and

determining whether the tax has been paid properly using the decrypted combination code by evaluating whether the decrypted combination code is one of the plurality of valid combination codes.

28. The method of claim 27, further comprising destroying the codes after use.

29. The method of claim 27, further comprising destroying or confiscating the goods if the tax has not been paid properly.

REMARKS

Prior to computing the filing fee for this U.S. Continuation/National Phase Patent Application of PCT Patent Application No. PCT/US98/15070, please enter this Preliminary Amendment.

The application includes claims 1-60. Claims 1-29 were the claims filed in the mentioned PCT Patent Application; the PCT Patent Application was originally with 43 claims,

but a the amended set of claims 1-29 was substituted during prosecution of the PCT Patent Application. For the convenient reference of the Patent Examiner a copy of claims 1-29 is presented above subsequent to the claims 30-60 which are added in this Preliminary Amendment. As a result of examination of the PCT patent application at the EPO, the Written Opinion indicates that all of such claims 1-29 meet the requirements of Novelty, Inventive Step and Industrial Application.

It is noted that the application as filed herewith includes specification page 3 and amended specification pages 3/3a. Specification page 3 is a copy of the original specification page filed in the mentioned PCT Patent Application; specification pages 3/3a include two additional paragraphs which were added during the prosecution of the PCT Patent Application to mention prior art background information. If either original specification page 3 requires cancellation, the Examiner is authorized to do so and to substitute therefor amended specification pages 3/3a; alternatively, if appropriate to cancel amended specification pages 3/3a and to retain original specification page 3, then the Examiner is authorized to address this issue appropriately.

If the Examiner feels that a telephone interview would be helpful to expedite favorable consideration of this application, he/she is respectfully requested to telephone the undersigned attorney.

Respectfully submitted,
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